

December 1, 2020

VIA FIRST CLASS MAIL & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Docket 5085 – 2020 Long-Term Contracting for Renewable Energy Recovery Factor Responses to PUC Data Requests – Set 1

Dear Ms. Massaro:

On behalf of National Grid,¹ enclosed is the Company's responses to the First Set of Data Requests issued by the Public Utilities Commission in the above-referenced matter.

Thank you for your attention to this filing. If you have any questions, please contact me at 401-709-3337.

Sincerely,



Leticia C. Pimentel

cc: Docket 5085 Service Lists
Leo Wold, Esq.
John Bell, Division

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

**Docket No. 5085 – National Grid – LTC Recovery Factor
Service List updated 11/16/20**

| Name/Address | E-mail Distribution | Phone |
|--|--|--------------|
| Jennifer Hutchinson, Esq. National Grid 280 Melrose St. Providence, RI 02907 Leticia C. Pimentel Robinson & Cole LLP One Financial Plaza, 14th Floor Providence, RI 02903 | jennifer.hutchinson@nationalgrid.com ; | 781-907-2121 |
| | Brooke.skulley@nationalgrid.com ; | |
| | Celia.obrien@nationalgrid.com ; | |
| | LPimentel@rc.com ; | |
| | HSeddon@rc.com ; | |
| | Joanne.scanlon@nationalgrid.com ; | |
| | laura.bickel@nationalgrid.com ; | |
| | James.ruebenacker@nationalgrid.com ; | |
| | Stephen.McCauley@nationalgrid.com ; | |
| | Anthony.monico@nationalgrid.com ; | |
| | Adam.crary@nationalgrid.com ; | |
| Robin.pieri@nationalgrid.com ; | | |
| Theresa.burns@nationalgrid.com ; | | |
| Jon Hagopian, Esq. Division of Public Utilities & Carriers 89 Jefferson Blvd. Warwick, RI 02888 | John.bell@dpuc.ri.gov ; | 401-784-4775 |
| | Jon.hagopian@dpuc.ri.gov ; | |
| | Joel.munoz@dpuc.ri.gov ; | |
| | dmacrae@riag.ri.gov ; | |
| | Margaret.L.Hogan@dpuc.ri.gov ; | |
| File an original & 9 copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888 | Luly.massaro@puc.ri.gov ; | 401-780-2017 |
| | Cynthia.WilsonFrias@puc.ri.gov ; | |
| | Alan.nault@puc.ri.gov ; | |
| | Todd.bianco@puc.ri.gov ; | |
| Christopher Kearns, OER Nicholas Ucci, OER | Nicholas.Ucci@energy.ri.gov ; | |
| | Christopher.Kearns@energy.ri.gov ; | |

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5085
In Re: National Grid's Long-Term Contracting for
Renewable Energy Recovery Factor
Responses to Commission's First Set of Data Requests
Issued November 18, 2020

PUC 1-1

Request:

Referencing Attachment 1, page 3 of the November 13, 2020 filing, please explain how the Market Energy Proxy was developed for the different classes (solar, wind, biomass) and projects (please also submit an Excel spreadsheet with all formulas intact as was done in Docket No 4992).

Response:

Enclosed please see Attachment PUC 1-1, which is a working Excel version of Attachment 1 in the Company's November 13, 2020 filing. This includes corrected footnotes as the Company describes in its response to PUC 1-4.

The Market Energy Proxy calculations for each energy class resides on the Energy Proxy tab in Attachment PUC 1-1. The Market Energy Proxy is based on NYMEX peak and off peak electricity futures prices as of November 4, 2020 for the Pricing Period. It is also based on each energy class's monthly, peak, and off peak expected generation. The hourly expected generation data can be found on five tabs:

- LFG Shape – Averages
- Hydro Shape – Averages
- Solar Shape - Averages
- Wind Shape – Averages
- Offshore Wind Shape – Averages

The hourly expected generation is summed to monthly peak and off peak amounts, from which the Company can derive peak, off peak, and monthly percentages which are applied to the NYMEX electricity future prices on the Energy Proxy tab. The hourly expected generation is based on the historical generation for the various projects.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5085
In Re: National Grid's Long-Term Contracting for
Renewable Energy Recovery Factor
Responses to Commission's First Set of Data Requests
Issued November 18, 2020

Attachment to PUC 1-1

Please see Excel file electronically filed.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5085
In Re: National Grid's Long-Term Contracting for
Renewable Energy Recovery Factor
Responses to Commission's First Set of Data Requests
Issued November 18, 2020

PUC 1-2

Request:

Please explain why the Company shows Forward Capacity Market revenue on Attachment 1, page 3 of 6 where there is no capacity bid on Attachment 1, page 5 of 6.

Response:

Capacity revenue included in the Long-Term Contracting for Renewable Energy Recovery Factor Calculation is due to the Company and counterparties' participation in the Forward Capacity Market (FCM).

In Docket No. 4676 the PUC approved the Company's proposal to bid capacity of customer-owned distributed generation facilities into the FCM. Page 5 of Attachment 1 calculates the customers' and Company's share of the capacity proceeds from this program. The customer share of net FCM proceeds reduces the above market costs on page 1 of Attachment 1.

Page 3 of Attachment 1 includes capacity revenue from power purchase agreements (PPAs) executed pursuant to Long-Term Contracting Standard for Renewable Energy, R.I. Gen. Laws Chapter 39-26.1. It is the counterparties' responsibility to bid this capacity into the FCM and is not part of the Company's efforts approved in Docket No. 4676. Therefore, the capacity proceeds are not shared between the customers and the Company and is listed separately on page 3 of Attachment 1, Estimated Market Value.

PUC 1-3

Request:

Referencing Attachment 1, page 6 footnote 6, please provide detail justifying the \$80,000 salary and a description of the job title/responsibilities.

Response:

The Company's Forward Capacity Market ("FCM") portfolio is managed by two employees on the Distributed Energy Resources ("DER") Grid Services team (within the Customer organization) whose responsibilities include oversight of the Company's participation in the FCM. Those combined efforts comprise one full-time equivalent ("FTE"). Associated costs are apportioned to the underlying programs for which the Company manages capacity in the FCM including Long Term Contracting for Renewable Energy. Combined these employees are expected to charge approximately 150 hours to the LTCRER program over the six months of January 2021 through June 2021, at an hourly rate derived from a weighted average estimated salary of \$90,540 annually. Below are the relevant FCM-related job responsibilities across the two positions.

Core Responsibilities

- Implement the strategies and forecasting methods required for FCM resource management.
- Manage current assets and look for ways in which to grow the Company's participation in order to maximize monetization of the Company's solar distributed generation ("DG") resources.
- Participate in ISO-NE Working Group meetings, Forward Capacity Auctions, and other ad hoc meetings as necessary.
- Attain a deep understanding of the Market Rules, ISO New England Manuals and intricacies of the market and apply them in strategy development and execution.
- Interface with other departments within the Company (Regulatory Strategy, Electric Supply, Load Forecasting) to leverage knowledge and information to the Company's advantage as well as to maintain consistency in external messaging.
- Oversee the FCM resource lifecycle and be primarily responsible for submitting required information for each of these: Show of Interest, New Resource Qualification, Forward Capacity Auction, Critical Path Schedule monitoring, Renewable Technology Resource elections.

- Implement a process for monitoring the ongoing performance of DG resources in the FCM.
- Work with other individuals responsible for FCM data submissions and strategy development.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5085
In Re: National Grid's Long-Term Contracting for
Renewable Energy Recovery Factor
Responses to Commission's First Set of Data Requests
Issued November 18, 2020

PUC 1-4

Request:

Referencing Attachment 1, page 6 footnotes 8 & 9, please check formulas and resubmit if revisions are needed. If none are needed, please provide a more detailed explanation of the calculation.

Response:

In previous submissions of the LTCRER factor filing, Attachment 1, page 6 had 11 lines. The first two lines were duplicative data that is also shown on Page 5. The Company removed the duplicative lines on page 6 in this filing but neglected to update the footnotes accordingly.

The footnote for line (8) reads "Line (8) + [Line (8) x Line (9)]" but should be "Line (6) + [Line (6) x Line (7)]." The footnote for line (9) reads "Line (7) x Line (10)" but should be "Line (5) x Line (8)." The misstated footnotes did not affect the calculations on page 6 and have been corrected in the excel file provided in PUC 1-1.